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SUBJECT: REQUEST FOR PL-480 EMERGENCY FOOD AID TO PAKISTAN THROUGH
THE WORLD FOOD PROGRAM

REF: A.ISLAMABAD 0669

B.ISLAMABAD 1705

C.ISLAMABAD 1715

D.ISLAMABAD 1914

E.ISLAMABAD 2061

F.ISLAMABAD 2107

[G](#). KABUL 1254

[H](#). ISLAMABAD 2250

[I](#). ISLAMABAD 2233

[1](#)1. (SBU) The following is an action request. Please see paragraph
[1](#)12.

SUMMARY
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[1](#)2. (SBU) Summary: In Reftel I, Post recommended six food aid options for assistance to Pakistan - three options with existing ESF resources and three options with additional resources. This message provides subsequent information for option three in Reftel I in advance of the forthcoming World Food Program (WFP) appeal which will be issued soon.

[1](#)3. (SBU) Post recommends a positive response to this request with an allocation of up to USD 30 million in grant PL-480 emergency food aid as a partial response to Pakistan's current food crisis. The proposed WFP emergency relief response is targeted for Pakistan's most vulnerable groups and includes distributions that begin in October 2008, and will continue for twelve months to reach an estimated 1.8 million severely food insecure Pakistanis. End Summary.

GOVERNMENT OF PAKISTAN REQUESTS FOR FOOD AID
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[1](#)4. (SBU) Reftels and USDA country reports document Pakistan's food crisis and USG-GOP official discussions of Pakistan's food security issues. These meetings included a) the May 18 POTUS-PM Gilani meeting in Egypt; b) the June 5 Rome World Food Conference meeting between the Secretary of Agriculture and the GOP's Minister of Agriculture, Food and Livestock (MINFAL); and c) the June 6 meeting between the GOP's Additional Secretary, MINFAL, USDA's Deputy Under Secretary Gaibler, USAID and others.

[1](#)5. (SBU) On June 16, MINFAL summoned Post's Agricultural Counselor

and USAID Officer to the Ministry to again request U.S. food aid. During this meeting MINFAL officials expressed concern about the growing domestic shortages and warned of worsening conditions before the December-March pre-harvest lean season if relief is not provided. This meeting was followed by a June 20 MINFAL letter to the Embassy requesting that USDA provide "emergency food assistance through Government to Government grant . . .or food assistance through USAID and WFP."

GOP MEASURES TO AUGMENT FOOD SUPPLIES

16. (SBU) Wheat scarcity this early in the wheat marketing year is an unusual phenomenon and has alarmed GOP officials. Food demand normally spikes upward during Ramadan which begins this year in the first week of September. The new government wants to ensure that there are adequate food supplies during this period. Well-informed GOP officials worry privately that staple food prices are likely to peak further during the November-March lean period and spark unrest.

17. (SBU) The GOP has taken steps to augment supply, including the Trading Corporation of Pakistan's recent June-July tenders for approximately 656,000 metric tons (MT) of wheat, and GOP estimates that an additional 2 million MT will be needed during the next 6 months. Most of this imported bulk wheat will be sold through urban retail outlets.

INTERAGENCY FOOD NEEDS ASSESSMENT MISSION

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18. (SBU) In response to the food crisis and GOP requests, the UN organized a WFP/FAO/UNICEF/UNDP "Inter Agency Assessment Mission" that quickly fielded a six person team to began work in-country in early June. WFP/Rome recently released its preliminary draft of their assessment report. It confirms that between June, 2007 and June, 2008 in Pakistan's food deficit provinces, the prices of the staple wheat flour more than doubled, placing severe pressure on the household budgets of the very poor who normally spend approximately 60-70 percent of their total income on food. Using the GOP's 2005-06 Household Income and Expenditure Survey (HIES) as a baseline, the UN/WFP assessment found that the number of Pakistanis consuming less than 1,700 kilocalories per day, and therefore classified as "severely food insecure", increased by 8 million - from 37 million to 45 million. Almost two thirds of these 45 million "severely food insecure" persons live in the rural areas.

19. (SBU) The initial results of this assessment mirror earlier Embassy assessments of Pakistanis inability to afford food. According to the preliminary draft, since the food crisis began approximately 8 million additional Pakistanis have fallen into the "severely food insecure" category. Of this 8 million, the greatest increases have been in the rural parts of the North West Frontier Province (NWFP) province which has seen a 56 percent increase. The report recommends that WFP/Pakistan "intensify its current activities and introduce new initiatives in partnership with other UN agencies and NGOs to support the GOP in its response to the current food crisis." We expect that as a result of this assessment WFP/Rome will soon issue an appeal for an estimated USD 82 million Emergency Operation, the details of which have been provided to embassy personnel and described in brief below. Post recommends that Washington agencies support this appeal with approximately USD 30 million in PL-480 emergency assistance to cover combined commodity and logistics costs.

RISING FOOD COSTS AND SHORTAGES HURT PAKISTAN'S POOR

110. (SBU) There is widespread agreement that much of Pakistan's current food crisis is the result of self-inflicted policy and price distortions which are a disincentive for farmers to produce and an incentive for grain traders to smuggle wheat to Afghanistan, India and Iran where the prices are much higher. Nonetheless, retail prices paid by the typical Pakistani have soared, particularly for

wheat and vegetable oil - Pakistan's two most important staples. According to the World Bank's 2008 World Development Report and the United Nations Development Program's (UNDP) 2008 Human Development Report, 17 percent, or approximately 27 million Pakistanis, live on a dollar a day or less, compared to 23 percent for Ethiopia, or 17 million Ethiopians. Another 100 million Pakistanis live on USD 2 per day or less. As these statistics demonstrate, extreme poverty remains a reality for most Pakistanis who spend 70 percent of their total income on food, and even in good times, struggle to make ends meet. The recent food price increases have had a disproportionate impact on these poor, and WFP's proposed emergency programs are targeted at these households.

WFP-PROPOSED EMERGENCY RELIEF OPERATION

¶11. (SBU) WFP is proposing several responses, one of which is an Emergency Relief Operation (EMOP) appeal. Current plans for the EMOP appeal are to reach 1.8 million recipients in the hardest hit areas through NGO-organized Food for Work activities, with a small amount of EMOP food aid used for direct distribution to destitute and vulnerable groups. This EMOP would begin this October/November and operate for twelve months until after the next wheat harvest. The WFP is also working with the GOP's MINFAL, other donors and UN agencies to design additional emergency food relief activities, such as enhanced school feeding operations in the 20 most food insecure districts, beginning as early as August.

ACTION REQUEST FOR PL480 RESOURCES TO SUPPORT WFP

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¶12. (SBU) Action request: Post proposes that the USG provide grant food aid to support part of the expected WFP appeal for a one-year, targeted, WFP Emergency Operations Program that in total will require 6,600 metric tons (MTs) of refined vegetable oil in tins and 90,000 MTs of bagged wheat. We recommend that the U.S. contribution not exceed USD 30 million in combined commodity and logistics costs. Post recommends that USAID, USDA and relevant Washington agencies review this request urgently and advise. End action request.
PATTERSON